

## **EXHIBIT 10**



PL 108-173, 2003 HR 1  
PL 108-173, December 8, 2003, 117 Stat 2066  
(Cite as: 117 Stat 2066)

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**UNITED STATES PUBLIC LAWS**  
**108th Congress - First Session**  
**Convening January 7, 2003**

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Additions and Deletions are not identified in this database.  
Vetoed provisions within tabular material are not displayed

PL 108-173 (HR 1)  
December 8, 2003

**MEDICARE PRESCRIPTION DRUG, IMPROVEMENT, AND MODERNIZATION ACT OF  
2003**

An Act To amend title XVIII of the Social Security Act to provide for a voluntary program for prescription drug coverage under the Medicare Program, to modernize the Medicare Program, to amend the Internal Revenue Code of 1986 to allow a deduction to individuals for amounts contributed to health savings security accounts and health savings accounts, to provide for the disposition of unused health benefits in cafeteria plans and flexible spending arrangements, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States  
of America in Congress assembled,

**SECTION 1. SHORT TITLE; AMENDMENTS TO SOCIAL SECURITY ACT; REFERENCES  
TO BIPA AND SECRETARY; TABLE OF CONTENTS.**

<< 42 USCA § 1305 NOTE >>

(a) **SHORT TITLE.**--This Act may be cited as the "Medicare Prescription Drug, Improvement, and Modernization Act of 2003".

(b) **AMENDMENTS TO SOCIAL SECURITY ACT.**--Except as otherwise specifically provided,

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whenever in division A of this Act an amendment is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act.

**Pages omitted**

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<< 42 USCA § 1395m >>

(2) PAYMENT RULE FOR SPECIFIED ITEMS.--Section 1834(a) (42 U.S.C. 1395m(a)), as amended by subsection (a), is further amended by adding at the end the following new paragraph:

"(21) SPECIAL PAYMENT RULE FOR SPECIFIED ITEMS AND SUPPLIES.--

"(A) IN GENERAL.--Notwithstanding the preceding provisions of this subsection, for specified items and supplies (described in subparagraph (B)) furnished during 2005, the payment amount otherwise determined under this subsection for such specified items and supplies shall be reduced by the percentage difference between--

"(i) the amount of payment otherwise determined for the specified item or supply under this subsection for 2002, and

"(ii) the amount of payment for the specified item or supply under chapter 89 of title 5, United States Code, as identified in the column entitled 'Median FEHP Price' in the table entitled 'SUMMARY OF MEDICARE PRICES COMPARED TO VA, MEDICAID, RETAIL, AND FEHP PRICES FOR 16 ITEMS' included in the Testimony of the Inspector General before the Senate Committee on Appropriations, June 12, 2002, or any subsequent report by the Inspector General.

"(B) SPECIFIED ITEM OR SUPPLY DESCRIBED.--For purposes of subparagraph (A), a specified item or supply means oxygen and oxygen equipment, standard wheelchairs (including standard power wheelchairs), nebulizers, diabetic supplies consisting of lancets and testing strips, hospital beds, and air mattresses, but only if the HCPCS code for the item or supply is identified in a table referred to in subparagraph (A)(ii).

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